

Assembly Bill No. 690

Passed the Assembly August 19, 2014

Chief Clerk of the Assembly

Passed the Senate August 13, 2014

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add the heading of Chapter 1 (commencing with Section 99500) to, to add Chapter 2 (commencing with Section 99520) to, Title 20 of, and to repeal Chapter 8.1 (commencing with Section 8710) of Division 1 of Title 2 of, the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 690, Campos. State government: international relations.

Existing law requires the California-Mexico Border Relations Council to, among other things, coordinate activities of state agencies that are related to cross-border programs, initiatives, projects, and partnerships that exist within state government.

This bill would repeal and recast those provisions.

The people of the State of California do enact as follows:

SECTION 1. Chapter 8.1 (commencing with Section 8710) of Division 1 of Title 2 of the Government Code is repealed.

SEC. 2. The heading of Chapter 1 (commencing with Section 99500) is added to Title 20 of the Government Code, to read:

CHAPTER 1. GENERAL PROVISIONS

SEC. 3. Chapter 2 (commencing with Section 99520) is added to Title 20 of the Government Code, to read:

CHAPTER 2. CALIFORNIA-MEXICO BORDER RELATIONS COUNCIL

99520. The Legislature finds and declares the following:

(a) The United States and Mexican economies have become increasingly integrated, particularly since the 1994 adoption of the North American Free Trade Agreement, or NAFTA.

(b) As the second largest United States exporter to Mexico, California has the potential to increase its exports at a faster pace and capitalize on Mexico's growing economy.

(c) In 2012, the value of California's exports to Mexico totaled \$26.3 billion, equivalent to more than one and one-half times California's trade with its closest trade partner Canada, at \$17.2 billion, and almost twice its second closest trade partner, China, at \$13.9 billion.

(d) The relationship between Mexico and California generates over \$20.9 billion per year for California.

(e) According to the United States Chamber of Commerce, trade with Mexico in 2010 represented 692,240 California jobs, making California the state with the most trade-related jobs with Mexico in the United States. California is the second largest exporter to Mexico among the 50 states, ranking behind Texas.

(f) Among California's international trading partners, only Mexico shares a border with California. In fact, California has four major international border crossings supporting the movement of both persons and goods: San Ysidro, Otay Mesa, Tecate, and Calexico. Of these, Otay Mesa and Calexico accommodate the largest volume of trade. Otay Mesa is the largest California crossing, ranking sixth in the nation. In 2010, these California gateways with Mexico moved \$46.9 billion in merchandise.

(g) At issue is border crossing delays between Mexico and the United States along the Imperial County-Baja California border.

(h) In California, losses due to border crossing delays accounted for an estimated revenue loss of \$1.16 billion and 25,000 jobs in 2008.

(i) While California remains the largest recipient of foreign domestic investment (FDI) in the United States, faster FDI is occurring elsewhere.

(j) Despite this critical economic relationship, California has not had a formal mechanism for the past decade devoted to maximizing trade, addressing challenges, and coordinating cross-border programs for trade development between the two countries. This has left California employers and businesses without formal access to Mexican government officials, a major disadvantage to California's trade industries.

(k) In 2006, the Office of California-Mexico Affairs was established to further and develop favorable relations with Mexican states by cooperating with similar organizations and agencies situated within California, the United States, or Mexico. Important areas of activity include, but are not limited to, enhancing economic

development opportunities among the participating states, improving working conditions and living standards, and fostering the protection and improvement of the environment in Mexico and California.

(l) To help carry out these duties the California-Mexico Border Relations Council was also established to identify new border priorities and fundable projects in the areas of infrastructure, trade, environment, health, and security while supporting current and ongoing activities such as the Border Governors Conference, trade missions, and border workgroups, and coordinating specific future projects with Mexico.

(m) It is critical for California that state agencies continue to address important United States-Mexico issues.

(n) Furthermore, California should maximize its economic relationship with Mexico to improve the state's economy, to maximize the amount of exports, and create more California jobs.

(o) Therefore, the Legislature finds that California needs a formalized trade relationship with Mexico. Establishing an official trade relationship with Mexico will help ensure that the state can improve its global competitiveness and protect California industry, proactively support the expansion and location of businesses in California, provide international business assistance to California businesses, and support their entry and successful participation in the growing Mexican marketplace.

(p) The California-Mexico Border Relations Council provides a focal point in state government to serve as a clearinghouse for information and assistance to other state agencies that are involved with Mexico.

99521. The following definitions shall govern the construction of this chapter:

(a) "Border" means the line of demarcation between California and Mexico.

(b) "Council" means the California-Mexico Border Relations Council.

(c) "Public agency" means a city, county, city and county, district, or the state or any agency or department of the state.

99522. (a) The California-Mexico Border Relations Council is hereby established in state government. The council shall consist of the Director of the Governor's Office of Business and Economic Development, the Secretary of the Natural Resources Agency, the

Secretary for Environmental Protection, the Secretary of California Health and Human Services, the Secretary of Transportation, the Secretary of Food and Agriculture, and the Director of Emergency Services.

(b) The Secretary for Environmental Protection shall chair the council.

99523. The council shall do all of the following:

(a) Coordinate activities of state agencies that are related to cross-border programs, initiatives, projects, and partnerships that exist within state government, to improve the effectiveness of state and local efforts that are of concern between California and Mexico.

(b) Establish policies to coordinate the collection and sharing of data related to cross-border issues between and among agencies.

(c) Identify and recommend to the Legislature changes in law needed to achieve the goals of this section.

99524. Beginning January 1, 2008, the council shall submit a report to the Legislature on the council's activities annually.

Approved _____, 2014

Governor